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**NEW MEXICO
ENVIRONMENT DEPARTMENT**

Surface Water Quality Bureau

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RYAN FLYNN
Cabinet Secretary

BUTCH TONGATE
Deputy Secretary

ERIKA SCHWENDER
Director
Resource Protection Division

Certificated Mail – Return Receipt Requested

April 18, 2014

Mr. Michael J. Fidal, General Manager
BHP San Juan Coal Company
La Plata Mine
P.O. Box 561
Waterflow, New Mexico 87421

Re: San Juan Coal Company, La Plata Mine; Minor Individual Permit; SIC 1221; NPDES Compliance
Evaluation Inspection; NM0029505; March 18, 2014

Dear Mr. Fidal:

Enclosed please find a copy of the report and check list for the referenced inspection that the New Mexico Environment Department (NMED) conducted at your facility on behalf of the U.S. Environmental Protection Agency (USEPA). This inspection report will be sent to the USEPA in Dallas for their review. These inspections are used by USEPA to determine compliance with the National Pollutant Discharge Elimination System (NPDES) permitting program in accordance with requirements of the federal Clean Water Act.

Introduction, treatment scheme, and problems noted during this inspection are discussed in the "Further Explanations" section of the inspection report.

You are encouraged to review the inspection report, required to correct any problems noted during the inspection, and advised to modify your operational and/or administrative procedures, as appropriate. If you have comments on or concerns with the basis for the findings in the NMED inspection report, please contact us (see the address below) in writing within 30 days from the date of this letter. Further, you are encouraged to notify in writing both the USEPA and NMED regarding modifications and compliance schedules at the addresses below:

Racquel Douglas, MS, ET
US Environmental Protection Agency, Region VI
Enforcement Branch (6EN-WM)
1445 Ross Avenue
Dallas, Texas 75202-2733

Bruce Yurdin
New Mexico Environment Department
Surface Water Quality Bureau,
Point Source Regulation Section
P.O. Box 5469
Santa Fe, New Mexico 87502

NM0029505 - La Plata Mine

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If you have any questions about this inspection report, please contact Erin Trujillo at 505-827-0418 or at erin.trujillo@state.nm.us.

Sincerely,

/s/Bruce J. Yurdin

Bruce J. Yurdin
Program Manager
Point Source Regulation Section
Surface Water Quality Bureau

cc: Rashida Bowlin, USEPA (6EN-W) by e-mail
Gladys Gooden-Jackson, USEPA (6EN-WC) by e-mail
Carol Peters-Wagnon, USEPA (6EN-WM) by e-mail
Racquel Douglas, USEPA (6EN-WM) by e-mail
Brent Larsen, USEPA (6WQ-PP) by e-mail
Robert Italiano, NMED District II; by e-mail
Dave Clark, Coal Mine Reclamation, Mining & Minerals Division, EM&NRD by e-mail



Form Approved
OMB No. 2040-0003
Approval Expires 7-31-85

NPDES Compliance Inspection Report

Section A: National Data System Coding

Transaction Code	NPDES	yr/mo/day	Inspection Type	Inspector	Fac Type
1 N 2 5 3 N M 0 0 2 9 5 0 5 11 12 1 4 0 3 1 8 17 18 C 19 S 20 2					
Remarks					
S U B - B I T U M I N O U S C O A L M I N E					
Inspection Work Days	Facility Evaluation Rating	BI	QA	Reserved	
67 69	70 4	71 N	72 N	73 74 75	80

Section B: Facility Data

Name and Location of Facility Inspected (For industrial users discharging to POTW, also include POTW name and NPDES permit number) BHP Billiton/San Juan Coal Company/La Plata Mine, La Plata, New Mexico 87418. West of Farmington on U.S. Hwy 64, travel 17 miles north on NM 170, turn right on mine access road. San Juan County.	Entry Time /Date ~1100 hours / 03/18/2014	Permit Effective Date March 1, 2009
	Exit Time/Date ~1500 hours / 03/18/2014	Permit Expiration Date February 28, 2014
Name(s) of On-Site Representative(s)/Title(s)/Phone and Fax Number(s) -Warren Rider, Environmental Specialist, BHP Billiton / 505-598-4275, cell 505-215-9196 -Steven Perkins, Superintendent, Permitting & Technical Services, BHP Billiton / 505-598-2821/ Cell 505-215-8018 -Paul Nazaryk/Superintendent Environment & Regulatory Affairs, BHP Billiton / 505-598-2217/Cell 505-801-7745	Other Facility Data Locked Gate on Mine Access Road Latitude: 36.972977° Longitude: -108.166091° SIC 1221	
Name, Address of Responsible Official/Title/Phone and Fax Number Michael J. Fidal, General Manager / BHP San Juan Coal Company, La Plata Mine , P.O. Box 561, Waterflow, New Mexico 87421 / 1-505-598-4200 / Fax 505-598-4380	Contacted Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	

Section C: Areas Evaluated During Inspection (S = Satisfactory, M = Marginal, U = Unsatisfactory, N = Not Evaluated)

S	Permit	S	Flow Measurement	S	Operations & Maintenance	N	CSO/SSO
M	Records/Reports	N	Self-Monitoring Program	N	Sludge Handling/Disposal	N	Pollution Prevention
S	Facility Site Review	N	Compliance Schedules	N	Pretreatment	N	Multimedia
S	Effluent/Receiving Waters	N	Laboratory	N	Storm Water	N	Other:

Section D: Summary of Findings/Comments (Attach additional sheets if necessary)

1. See attached report and further explanations.

Name(s) and Signature(s) of Inspector(s) Erin S. Trujillo /s/Erin S. Trujillo	Agency/Office/Telephone/Fax NMED/SWQB/505-827-0418	Date 04/18/2014
Signature of Management QA Reviewer Sarah Holcomb /s/ Sarah Holcomb	Agency/Office/Phone and Fax Numbers NMED/SWQB/505-827-2798	Date 04/18/2014

BHP San Juan Coal Company – La Plata Mine - NM0029505	PERMIT NO. NM0029505
SECTION A - PERMIT VERIFICATION	
PERMIT SATISFACTORILY ADDRESSES OBSERVATIONS <input checked="" type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA (FURTHER EXPLANATION ATTACHED <u>No</u>) DETAILS: Permit has expired. Phase III bond has not been released for La Plata Mine. BHP renewal application was submitted in a letter dated 08/30/2013.	
1. CORRECT NAME AND MAILING ADDRESS OF PERMITTEE (See address on EPA Form 3560 and application)	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> NA
2. NOTIFICATION GIVEN TO EPA/STATE OF NEW DIFFERENT OR INCREASED DISCHARGES	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
3. NUMBER AND LOCATION OF DISCHARGE POINTS AS DESCRIBED IN PERMIT (See application)	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> NA
4. ALL DISCHARGES ARE PERMITTED	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA
SECTION B - RECORDKEEPING AND REPORTING EVALUATION	
RECORDS AND REPORTS MAINTAINED AS REQUIRED BY PERMIT. <input type="checkbox"/> S <input checked="" type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA (FURTHER EXPLANATION ATTACHED <u>Yes</u>) DETAILS: Part I.A of Permit requires flow monthly ave and daily max reporting DMRs and reclamation inspection (study)reports 1/Quarter reporting w/DMR. BHP Billiton's NetDMR Subscriber agreement was approved on April 7, 2011.	
1. ANALYTICAL RESULTS CONSISTENT WITH DATA REPORTED ON DMRs. No analytical monitoring required.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
2. SAMPLING AND ANALYSES DATA ADEQUATE AND INCLUDE.	<input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input checked="" type="checkbox"/> NA
a) DATES, TIME(S) AND LOCATION(S) OF SAMPLING	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
b) NAME OF INDIVIDUAL PERFORMING SAMPLING	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
c) ANALYTICAL METHODS AND TECHNIQUES.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
d) RESULTS OF ANALYSES AND CALIBRATIONS.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
e) DATES AND TIMES OF ANALYSES.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
f) NAME OF PERSON(S) PERFORMING ANALYSES.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
3. LABORATORY EQUIPMENT CALIBRATION AND MAINTENANCE RECORDS ADEQUATE.	<input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input checked="" type="checkbox"/> NA
4. PLANT RECORDS INCLUDE SCHEDULES, DATES OF EQUIPMENT MAINTENANCE AND REPAIR. Reclamation Inspections	<input checked="" type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA
5. EFFLUENT LOADINGS CALCULATED USING DAILY EFFLUENT FLOW AND DAILY ANALYTICAL DATA.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
SECTION C - OPERATIONS AND MAINTENANCE	
TREATMENT FACILITY PROPERLY OPERATED AND MAINTAINED. <input checked="" type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA (FURTHER EXPLANATION ATTACHED <u>No</u>) DETAILS: Reclamation Inspections	
1. TREATMENT UNITS PROPERLY OPERATED.	<input checked="" type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA
2. TREATMENT UNITS PROPERLY MAINTAINED.	<input checked="" type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA
3. STANDBY POWER OR OTHER EQUIVALENT PROVIDED .	<input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input checked="" type="checkbox"/> NA
4. ADEQUATE ALARM SYSTEM FOR POWER OR EQUIPMENT FAILURES AVAILABLE.	<input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input checked="" type="checkbox"/> NA
5. ALL NEEDED TREATMENT UNITS IN SERVICE	<input checked="" type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA
6. ADEQUATE NUMBER OF QUALIFIED OPERATORS PROVIDED.	<input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input checked="" type="checkbox"/> NA
7. SPARE PARTS AND SUPPLIES INVENTORY MAINTAINED.	<input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input checked="" type="checkbox"/> NA
8. OPERATION AND MAINTENANCE MANUAL AVAILABLE.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
STANDARD OPERATING PROCEDURES AND SCHEDULES ESTABLISHED.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
PROCEDURES FOR EMERGENCY TREATMENT CONTROL ESTABLISHED.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA

BHP San Juan Coal Company – La Plata Mine - NM0029505	PERMIT NO. NM0029505
SECTION C - OPERATIONS AND MAINTENANCE (CONT'D)	
9. HAVE BYPASSES/OVERFLOWS OCCURRED AT THE PLANT OR IN THE COLLECTION SYSTEM IN THE LAST YEAR? IF SO, HAS THE REGULATORY AGENCY BEEN NOTIFIED? HAS CORRECTIVE ACTION BEEN TAKEN TO PREVENT ADDITIONAL BYPASSES/OVERFLOWS?	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> NA <input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA <input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
10. HAVE ANY HYDRAULIC OVERLOADS OCCURRED AT THE TREATMENT PLANT? IF SO, DID PERMIT VIOLATIONS OCCUR AS A RESULT?	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> NA <input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
SECTION D - SELF-MONITORING	
PERMITTEE SELF-MONITORING MEETS PERMIT REQUIREMENTS. <input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input checked="" type="checkbox"/> NA (FURTHER EXPLANATION ATTACHED <u>No</u>). DETAILS: Permit does not require analytical monitoring. No samples taking in compliance with reclamation inspection conducted/required/reported. Quarterly inspection/reporting further explained in Section B.	
1. SAMPLES TAKEN AT SITE(S) SPECIFIED IN PERMIT.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
2. LOCATIONS ADEQUATE FOR REPRESENTATIVE SAMPLES.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
3. FLOW PROPORTIONED SAMPLES OBTAINED WHEN REQUIRED BY PERMIT.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
4. SAMPLING AND ANALYSES COMPLETED ON PARAMETERS SPECIFIED IN PERMIT.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
5. SAMPLING AND ANALYSES PERFORMED AT FREQUENCY SPECIFIED IN PERMIT.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
6. SAMPLE COLLECTION PROCEDURES ADEQUATE	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
a) SAMPLES REFRIGERATED DURING COMPOSITING.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
b) PROPER PRESERVATION TECHNIQUES USED.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
c) CONTAINERS AND SAMPLE HOLDING TIMES CONFORM TO 40 CFR 136.3.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
7. IF MONITORING AND ANALYSES ARE PERFORMED MORE OFTEN THAN REQUIRED BY PERMIT, ARE THE RESULTS REPORTED IN PERMITTEE'S SELF-MONITORING REPORT?	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
SECTION E - FLOW MEASUREMENT	
PERMITTEE FLOW MEASUREMENT MEETS PERMIT REQUIREMENTS. <input checked="" type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA (FURTHER EXPLANATION ATTACHED <u>No</u>) DETAILS:	
1. PRIMARY FLOW MEASUREMENT DEVICE PROPERLY INSTALLED AND MAINTAINED. TYPE OF DEVICE Estimate using Engineering Methods (SEDCAD 4 / NRCS Curve-Number Model)	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA
2. FLOW MEASURED AT EACH OUTFALL AS REQUIRED.	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA
3. SECONDARY INSTRUMENTS (TOTALIZERS, RECORDERS, ETC.) PROPERLY OPERATED AND MAINTAINED.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
4. CALIBRATION FREQUENCY ADEQUATE. RECORDS MAINTAINED OF CALIBRATION PROCEDURES. CALIBRATION CHECKS DONE TO ASSURE CONTINUED COMPLIANCE.	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA <input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA <input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
5. FLOW ENTERING DEVICE WELL DISTRIBUTED ACROSS THE CHANNEL AND FREE OF TURBULENCE.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
6. HEAD MEASURED AT PROPER LOCATION.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
7. FLOW MEASUREMENT EQUIPMENT ADEQUATE TO HANDLE EXPECTED RANGE OF FLOW RATES.	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA
SECTION F – LABORATORY	
PERMITTEE LABORATORY PROCEDURES MEET PERMIT REQUIREMENTS. <input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input checked="" type="checkbox"/> NA (FURTHER EXPLANATION ATTACHED <u>No</u>) DETAILS: Permit does not require analytical monitoring	
1. EPA APPROVED ANALYTICAL PROCEDURES USED (40 CFR 136.3 FOR LIQUIDS, 503.8(b) FOR SLUDGES)	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA

**BHP Billiton Limited
San Juan Coal Company – La Plata Mine
Compliance Evaluation Inspection
NPDES Permit No. NM0029505
March 18, 2014**

Further Explanations

Introduction

On March 18, 2014, a Compliance Evaluation Inspection (CEI) was conducted by Erin S. Trujillo, accompanied by Sarah Holcomb, both of the State of New Mexico Environment Department (NMED), Surface Water Quality Bureau (SWQB) at the BHP Billiton Limited, San Juan Coal Company, La Plata Mine located approximately 17 miles north of Farmington, near La Plata, New Mexico in San Juan County. San Juan Coal Company La Plata Mine is classified as a minor discharger under the federal Clean Water Act, Section 402 National Pollutant Discharge Elimination System (NPDES) permit program and is assigned permit No. NM0029505. This permit authorizes discharges to unclassified tributaries (Camp Almost, Cinder Gulch, Halfway Wash, Little Cinder Gulch, McDermott Arroyo, Montoya Arroyo, and Northgate Arroyo) subject to Segment 20.6.4.98 NMAC, thence to the La Plata River, thence to the San Juan River, both in Segment 20.6.4.402 NMAC, of the San Juan Basin.

The NMED performs a certain number of CEIs for the U.S. Environmental Protection Agency (USEPA) each year. The purpose of this inspection is to provide USEPA with information to evaluate the permittee's compliance with the NPDES permit. This report is based on review of files maintained by the permittee and NMED, on-site observation by NMED personnel, and verbal information provided by the permittee's representatives.

An entrance interview was conducted with Warren Rider, Environmental Specialist; Steven Perkins, Superintendent, Permitting & Technical Services; and Paul Nazaryk, Superintendent Environment & Regulatory Affairs of BHP Billiton at 300 W. Arrington Street, Farmington, New Mexico 87401 at approximately 1100 hours on the day of the inspection. The inspector made introductions, presented credentials and discussed the purpose of the inspection. The inspectors and permittee's representatives toured the mine. Following the tour, an exit interview was conducted on site. The inspectors left the mine entrance (locked gate) at approximately 1500 hours on the day of the inspection.

BHP Billiton Limited, San Juan Coal Company submitted an Notice of Intent on February 10, 2009 (Active NPDES Tracking No. NMR05GF82) to obtain permit coverage under the 2008 Multi-Sector General Permit (MSGP) for industrial stormwater (previous and expired NPDES Tracking No. NMR05A746 NOI was submitted December 29, 2000). Discharges from the La Plata Haul Road are covered by the MSGP. An industrial stormwater MSGP CEI was not conducted on the day of this inspection.

Treatment Scheme

La Plata Mine shut down in 2002 after 42 million tons of coal was removed for use at the San Juan Generating Station. The mine is in the process of reclamation of the removed 1,700 acres of coal pits. The reclamation includes re-contouring (creating rolling hills and valleys) and re-vegetation with native species.

The permit allows discharges from the following permitted outfalls: 003, 004, 005, 006, 009, 010, 012, 015, 016, 018, 019, 020, 021, 022, 023, 026, 027, 028, 029, 030, 031, and 032 associated with various size drainage basins at the mine. Part I.A of the 2009 Permit requires that the permittee to estimate and

report flow (million gallons per day (MGD)). The permittee uses on-site rain gauge data, basin acreage and NRCS Curve Model to estimate runoff for each outfall.

Since the effective date of this permit, the permittee has reported no discharge except for January 2013. Electronic Discharge Monitoring Reports (DMRs) were submitted for January 2013 with flow estimates that varied between 0.050 and 4.577 MGD for Outfalls 003, 004, 005, 012, 016, 019, 020, 021, 023, 026, 027, 028, 029, 030, 032. Outfalls 006, 015, 018, 022, 031 do not discharge--runoff is contained within permanent impoundments or depressions. The mine's renewal application does not list Outfalls 009 and 010; and adds 15 outfalls labeled A thru K and M thru P due to removed or modified drainage basins within the mine permit boundaries.

Technology-based effluent limits (e.g., pH and settleable solids) have been replaced with a Sediment Control Plan (SCP) per 40 CFR Section 434, Subpart H – Western Alkaline Coal Mine. The SCP specifies best management practices designed, constructed, operated, and maintained to control pollutants in precipitation related discharges.

Section B - Recordkeeping and Reporting Evaluation - Overall rating of "Marginal"

Regarding the reclamation inspections and reporting, Footnote *1 of Part I.A of the Permit states:

Footnotes:

**1. The permittee shall conduct reclamation inspections within the drainage areas associated with the outfalls list above in conjunction with vegetation and erosion studies no less than once/quarter. An inspection report for each associated outfall shall be submitted with the Discharge Monitoring Report (DMR) every quarter as described in section B below. Each reclamation inspection report shall include, at a minimum, the following items:*

- (1) The personnel who conduct the inspections.*
- (2) Date(s) on which inspection was performed.*
- (3) A written summary of major observations, including observation of no deficiency.*
- (4) Actions that should be taken to correct noted deficiencies.*
- (5) Photo documentation of finding if necessary. And,*
- (6) The signature of delegated officer.*

Part I.B (Reporting of Monitoring Results) of the Permit states:

- 1. Reporting periods shall end on the last day of the months March, June, September, and December.*
- 2. The permittee is required to submit regular quarterly reports as described above postmarked no later than the 28th day of the month following each reporting period.*

Part I.C (Copy of Reports and Application to NMED) of the Permit states:

The permittee shall send a copy of discharging monitoring reports (DMRs), all other reports required in the permit, as well as a copy of application for permit renewal to New Mexico Environment Department at the mailing address listed in Part III of the permit.

Part II.A (D) of the Permit states:

The operator must submit an annual Sediment Control Report every 12 months from the approval of the Sediment Control Plan.... The permittee shall also send a copy of the annual report to the State of New Mexico Environment Department.

On the day of this inspection, NMED files did not contain a 2012 Annual SCR. Following this inspection, a 2012 Annual SCR was submitted to USEPA, with a copy submitted to NMED, in a BHP letter dated April 3, 2014.

On the day of this inspection, NMED files did not contain the 2013 2nd, 3rd and 4th Quarter Reclamation Inspection reports. Following this inspection, the 2013 Reclamation Inspection Reports were sent to USEPA, with a copy submitted to NMED, in a BHP letter dated March 21, 2014. Not submitting quarterly reports (at the time DMRs are due) is a repeat finding of the October 22, 2009 and August 22, 2012 CEIs.

PART III.D.11.a (Standard Conditions for NPDES Permits, Reporting Requirements Signatory Requirements) of the Permit states *"All applications, reports, or information submitted to the Director shall be signed and certified."*

PART III.D.11.c (Certification) of the Permit states:

Any person signing a document under this section shall make the following certification: "I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

Submitted reclamation inspection reports were signed, but did not include the certification statement.